Integrative entrepreneurship research – bridging the gap between sociological and economic perspectives

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Abstract: The predominant perspective of entrepreneurship was rooted in the battle of entrepreneurship scholars to establish and legitimate a distinct discipline within the economics research community by delineating it from neighbouring disciplines such as sociology and psychology. As a result, social science aspects have tended to remain ignored; entrepreneurship research has largely lost the view of ‘the big picture’ that is necessary to understand the complex phenomenon under research. We argue that, in order to earn legitimacy as a research discipline, entrepreneurship research needs to be reintegrated into the broader landscape of social science – the missing links of entrepreneurship research. We therefore investigate which interfaces between sociological and economic perspectives can be identified in the discussion on entrepreneurship research on the basis of a questionnaire survey of 105 entrepreneurship researchers in the German-language realm, thereby providing a necessary base line for an interdisciplinary research program that offers the underpinnings for interdisciplinary research and first steps for a future integrative entrepreneurship research approach.

Keywords: entrepreneurship; interdisciplinarity; researcher survey.

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1 Introduction

Scientific publications on entrepreneurship have dramatically increased in numbers during recent years (Argawal et al., 2004; Low, 2001; Evald et al., 2009). However, after a first wave of research on entrepreneurship that integrated concepts of economics and neighbouring disciplines in social science (e.g., Audretsch et al., 1999; Cyert and March, 1963), entrepreneurship scholars increasingly focused on specific economic aspects (Parhankangas and Arenius, 2003; Zajac et al., 1991) de-contextualising the social phenomenon of entrepreneurship. The predominant narrow perspective of entrepreneurship was rooted in the battle of entrepreneurship scholars to establish and legitimate a distinct discipline within the economic and management research community by delineating it from neighbouring disciplines such as sociology and psychology (Witte, 1973; Busenitz et al., 2003; Klepper and Sleeper, 2005). As a result social science aspects have tended to remain ignored (e.g., Kuratko and Hodgetts, 1998; Schaper and Volery, 2004). Entrepreneurship research has largely lost the view of ‘the big picture’ that is necessary to understand the complex phenomenon under examination (Schmid, 1986; Wiklund and Shepherd, 2005). Due to this blind spot of entrepreneurship research, key factors that determine the success or failure of young enterprises remain unaddressed (Hood and Young, 1993). At the same time, those entrepreneurship scholars with a broader perspective, who often have their formal education and scientific roots in other disciplines, tend to apply concepts and methods from their home discipline in entrepreneurship research that are not consistent with the basic assumption of economic
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and management research. The resulting ‘potpourri character’ of entrepreneurship research (Davidsson et al., 2001) with different, incommensurable linguistic styles and research findings hinders the evolution of a common body of knowledge (Knight, 1987; Löfsten and Lindelöf, 2005). Both the narrow perspective and the ignorance regarding the context-sensitivity of concepts and methods transferred to entrepreneurship research from other disciplines reduce the explanatory power and practical relevance of the statements formulated in entrepreneurship research (Chandler and Lyon, 2001; Wallin and Dahlstrand, 2005). Robust and relevant findings are the basis for a research discipline’s legitimacy that has yet to be fully established for entrepreneurship research (Low, 2001).

We argue that, in order to earn legitimacy as a research discipline, entrepreneurship research needs to be reintegrated into the broader landscape of social science, because other disciplines are the missing links of entrepreneurship research. The foundation and development of young enterprises cannot just be understood as the fruit borne by the efforts of isolated individual homini economici, but as the outcome of interactions between complex individuals that are embedded in a tight network of social relationships. In this view, society provides the context within which economic processes evolve. Therefore, entrepreneurship always needs to be understood as a socially embedded phenomenon. This makes entrepreneurship an inter-discipline that operates between and among economic, sociological, and psychological aspects, meaning that it is a complex, heterogeneous, multifaceted field of research (Gartner et al., 2006; Grichnik, 2006).

As the deficits of current entrepreneurship research have become obvious after losing the premature praise it earned as a young discipline, in recent years it has experienced growing critical discussion (Huber, 1991; Eriksson and Kuhn, 2006). However, to date, attempts at integration have not really extended beyond the “people really should think about…” or “something that could be done is…” realm. Even if single initiatives like the global entrepreneurship monitor (GEM) project collect data in 42 countries including non-economic factors that promote and hinder company development (Reynolds et al., 1999; Nielsen et al., 1985; Dahlstrand, 1997), the formulation of an integrative, holistic approach for entrepreneurship research has so far not been achieved (Gartner, 2001), and due to the strong fragmentation of the thematic landscape it is difficult to imagine. This is why we feel that an incremental integration strategy is needed that addresses new findings emerging from other disciplines and – in the tradition of Schumpeter – re-combines these in a new way (Zahra and Dess, 2001; Montanye, 2006). Our paper will attempt to create a foundation for this.

Nevertheless, it does not aim to continue this lament. Instead, similar to the work done by, e.g., Gartner et al. (1992) and Brazeal and Herbert (1999), it will optimistically formulate the opportunity facing entrepreneurship research, particularly when it comes to the openness and heterogeneity of its methods and perspectives. We will not attempt to ‘fence in’ this research field, thus eliminating its many fruitful connections to a variety of disciplines. Instead, we will create a research domain that is based on a common paradigm. Entrepreneurship research will never be seen as its own discipline as long as it continues to lack an independent research framework (Davidsson et al., 2001). Developing and achieving such a theory of entrepreneurship will require scientific publications on its terminology and foundational research, which should also be able to serve as a basis for comparable empirical investigations. So far, these kinds of publications have remained the rare exception (Chandler and Lyon, 2001; Ireland et al., 2005).
We aim at closing this gap by examining the prominent discussions on entrepreneurship research and identifying possible interfaces between economic and sociological perspectives. Our investigation will follow the line of ‘new economic sociology’ thinking (Swedberg, 1997; Guilén et al., 2002), which argues that economic phenomena can often be better understood and explained when including sociological theoretical elements as well. This article will argue from a perspective, which sees ‘entrepreneurship’ as effectively and properly observed by using a combination of different scientific disciplines. Here, we pursue the questions of

1 Which interfaces between sociological and economic perspectives can be identified in the discussion on entrepreneurship research?

2 To what degrees can these elements generate an integrative concept of entrepreneurship research?

We contribute to entrepreneurship research by providing a necessary base line for an interdisciplinary research program that offers the underpinnings for interdisciplinary (empirical) research. In a next step the results could represent elements of an integrative entrepreneurship research approach. The results gained from a questionnaire survey of 105 entrepreneurship researchers in the German-language realm as part of this paper confirm the importance of the interfaces identified, and allow their prioritisation for an interdisciplinary entrepreneurship research agenda. On the practical level, the integration of entrepreneurship research is also needed to allow key statements to be formulated and established (e.g., Gartner et al., 2006; Ireland and Webb, 2007).

In the remainder of this paper, three well-known discussions on entrepreneurship research, i.e., the entrepreneur as an agent in society (Chapter 2); the context of the entrepreneurship research object (Chapter 3); and the determinants of entrepreneurship processes (Chapter 4) are investigated to identify interfaces between sociological and economic perspectives. These arenas of discussion make up a large portion of the research fields which, according to the empirical findings reported by Grichnik and Harms (2007), will be highly significant for future entrepreneurship research.

2 The entrepreneur as a societal agent

Probably the most well-known definition of entrepreneurship is that by the Austrian Joseph Alois Schumpeter who sees the entrepreneur as a creative destroyer of stable markets by applying new factor combinations (Schumpeter, 1963). Schumpeter also felt that for the entrepreneur, there was more to business than just increasing wealth in a narrow economic sense. Other motives, such as working towards an influential societal position, the enjoyment of creative production, and success for the sake of success, could have intrinsic value in economic pursuits as well.

With this argument, Schumpeter opened the way for economics to address the perspective of the entrepreneur and his behaviour. Cyert and March (1963, p.9) later made this idea clear by poignantly stating “profit is one, perhaps, but they are also interested in sex, food, and saving souls”.

When addressing the modern observation of entrepreneurs, their characteristics, and their business behaviour, the first thing that is seen is a long tradition of attempts in the field of psychology to measure human personality and identify specific behavioural
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patterns within it (e.g., Fehr and Schwarz, 2002). Here, the attempt is made to empirically comprehend stylistic traits (personality and character attributes, dynamic personality features, motivations, attitudes and values, as well as individual aptitudes). In economics studies, this thinking is seen in the well-debated traits approach, which preaches the impact that certain entrepreneurial traits have on success.

In addition, personality traits have been seen in more recent economics literature with empirical studies on, e.g., the need for achievement, risk-taking propensity, locus of control, need for autonomy, and self-efficacy (Rotter, 1966; Begley, 1995; Stewart et al., 1998; Vecchio, 2003). David McClelland (1961, 1965) was the first to investigate these attributes. In numerous empirical studies, the attempt was made to establish performance-oriented motivation (need for achievement) as the discerning factor between entrepreneurial and non-entrepreneurial people. Even if a few studies confirmed that people with a high level of performance orientation were more entrepreneurial because independent problem solutions and the directly-experienced success of their actions are more important for them than for those employed by companies (McClelland, 1961; Carsrud and Olm, 1986; Begley and Boyd, 1987), other researchers have shown that these same attributes can be found among managers employed by companies (Brockhaus and Horwitz, 1986; Huuskonen, 1993).

Even if the fundamental importance of the entrepreneur for company start-up success is clear, there is no one single ‘set’ of identifiable personality traits that can characterise an entrepreneur in an all-encompassing fashion (Brockhaus and Horwitz, 1986). The search for one single unmistakable personality profile characterising the entrepreneur has so far been a resounding failure. This was bound to happen. After all, the situative factors of entrepreneurial activity have not been addressed, and entrepreneurial action that is embedded within a societal context has been ignored (Gartner, 1988; Davidsson, 1995). But without an inclusion of these interactions, neither the causes nor the effects of entrepreneurial activity will ever be fully understood.

Brandl and Bullinger (2007) argue that we all have a certain picture of a successful entrepreneur in our minds as we attribute certain characteristics to successful businesspeople, how they lead their life and, most of all, how they run their business. This widely shared, unreflected-upon picture of successful people is deeply institutionalised within society. In daily and political economic discussions the entrepreneur is nearly always talked about as an innovative, confident agent, who continually strives for personal and financial growth. This is the picture that company founders often paint of themselves, frequently adding a glamorous entrepreneurial story (Lounsbury and Glynn, 2001) to help legitimise their new companies and obtain funding. The image of the entrepreneur not only shapes society as its collective goal, but has the individual goal of forming the perception and lifestyle of each and every person as well. Socialised, preconceived roles and institutionalised behavioural patterns reflect the abstract perception of entrepreneurship in actual situations. Here, the perceptions about (and therefore the expectations of) an entrepreneur come into direct contact with real life. On the individual level, the institution of entrepreneurship as a social reality precedes the individual because it forms its identity and expectations ex ante in terms of the own social role and that of the other (MacMillan, 1986; Zahra, 1993).

Our first interface between sociological and economic perspectives in entrepreneurship research is therefore the interplay of the entrepreneur’s role and its reflection in economic reality in the form of company start-ups and developments on the one hand, as well as the societal and media staging of the political discussion of the topic.
in general, which constructs the framework in which the topic takes place and is deliberated upon.

3 The context of the entrepreneurship research object

Entrepreneurship itself needs to be seen and understood within a social and historical context. However, in the literature we often find a number of stereotypical classifications that make statements about the nature, role, and function of entrepreneurship from a very principled perspective, i.e., statements that are detached from cultural facts and historical contexts, and as a result come across as unrealistic. Economic life never occurs apart from an anchoring in and a connection to its immediate and more general social and economic environments. Peter L. Berger (1986, p.24) stated this as follows:

“Economic institutions do not exist in a vacuum but rather in a context of social and political structures, cultural patterns, and indeed, structures of consciousness (values, ideas, belief systems). An economic culture then contains a number of elements linked together in an empirical totality.”

The formulation of the social embeddedness of economic behaviour and institutions (Granovetter, 1985) originally emerged from the field of sociology, and is now known and accepted in other disciplines as well. This social integration is based on three premises, i.e.,

1. a special instance of social action is that economic action
2. is socially situated and/or embedded
3. economic institutions are social constructions.

While sociology seems to be based on a conception, which sees individual agents as completely oversocialised, economics uses a conception of men being undersocialised. What is needed is a path running between those two contradictory poles.

As found in the new economic sociology, these concepts are explicitly rooted in a tradition dating back to the works of old institutionalism, which can primarily be identified with the jüngere historische Schule in Germany (Schmölders, 1984) and the work that was being done in North America at the same time (Dorfman, 1946–1959). There is also a constituency today of modern sociology publications that combine together with economic writings where economic ‘insiders’ in the field criticise the status quo of mainstream economics. Here, a plea is essentially being made for heterodox economics (Rutherford and Holt, 2007), and the assumption of a homo oeconomicus is the main focus of its criticism. The economic agent as a social being and – as a result – the process of business action as social activity functions as an interface between sociological and economic perspectives, a point which we identify here as the second interface between sociology and economics studies.

This simultaneously indicates the strengths of an institutional perspective: humans have motives that might be seen by others as irrational. They also have emotions that they control positively or negatively (Lauterbach, 1962; Sadler, 2000). Love, hate, and envy are expressions of human action, and they are real. Humans love some humans, while sometimes killing others. They play the lottery, give gifts to some people, and deceive others. Economic activity continually occurs within a social and economic process that
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can never be seen as a static occurrence, but instead always involves elements of *creative destruction* (Audretsch et al., 1999). Hodgson (1994) additionally criticises how the asymmetric communication structures within society are not always sufficiently considered from a conceptual perspective: Everybody does not communicate with everybody. Instead, only a few people from a small number of select groups regularly communicate with those they choose. As a consequence, information is unevenly distributed throughout society. This is a focus of economic sociology, which takes a closer look (among other things) at these ‘blind spots’ of classical economics, including social networks, gender, cultural contexts, and the regional and international dimensions of economies (Smelser and Swedberg, 2005).

Starting with the network metaphor and its corresponding information asymmetries, Ronald Burt (2000), for example, set new impulses into motion from a communication theoretical perspective by demonstrating how opportunities emerge for business activities from specific communication and information monopolies. For our purposes, it is essential to note that communication and action occur in economic life. The market is not to be seen as a kind of ‘black box’, where so-called demand determines price as part of a continual automation together with supply to keep exchange in motion. Instead, markets are locations of social life and exchange with inherently social structures and rules for doing things. Taking an abstract approach towards something like this indicates an inadequate academic understanding of the inner life of one of the central institutions of economics (Swedberg, 2003).

Even though Max Weber and Werner Sombart conducted extensive historical investigations, and emphasised the importance of cultural influence factors in understanding economic styles and national economies, they still never seem to receive their due attention from everyday business. Today, it is becoming clear to an increasing number of researchers that economics must at the same time include an equal dose of social science or, from a more limited perspective, economic sociology [for a relatively early discussion, see Lachmann (1950) and Granovetter (1985)].

Certainly, the emphasis on the importance of institutional dimensions does not automatically mean that the internal functions of the institutions have been sufficiently understood. Engerman and Sokoloff (2003, p.28) make very clear that economic growth theories stand on better foundations when an adequate understanding of institutions is in place:

> “Economists do not have a very good understanding of where institutions come from, or why societies have institutions that seem conducive to growth, while others are burdened by institutions less favourable for economic performance. Until they do, it will be quite difficult to specify the precise role of institutions in processes of growth. [...] what little we know about the evolution of institutions suggests caution about making strong claims about their relationship to growth.”

When looking at entrepreneurship, this means that it is not merely the context of entrepreneurship that has to be considered, but its corresponding change(s) over the course of time as well. The historical element of this analysis reveals a number of implications for entrepreneurship research. Baumol (1990) emphasised this in his historical observation of entrepreneurship throughout different centuries. Here, he points out that it is not legitimate to automatically associate entrepreneurship positively with economic growth and innovation effects. An analytical scan of several centuries shows that the general frameworks of economic societies can vary greatly. This has even been
the same for global religious interpretive systems as well (Munro, 2006). This being the case, it also does not make sense to abstractly speak about entrepreneurship without making clear the specific time and location in question. A third interface between the sociological and economic views of entrepreneurship emerges here. If transactions and their locations (markets) are interpreted as social constructions, this will allow a better analysis of actual phenomena.

Network research (Sathe, 1988; 2003) has given a new momentum to entrepreneurship research. Here, there are certain economic cycles that are most likely and best understood as socially regulated, motivated interaction of corporate or individual agents. Economic activities are founded or occur mostly along existing ‘ties’ of contacts that are based on social experiences, and organised along different social groups and circles of communication. Organisational networks function in the same way as social networks. However, the difference is that with organisational networks (as opposed to egocentric networks), the interaction networks of organisations are the focus of analysis, which in turn is carried by the social action of individual organisation members. Regional entrepreneurship research in particular profits greatly from these kinds of practices. Although somewhat unknown, the studies by Michael E. Porter (1990) have served as the inspiration for further studies. He argues that when analysing and comparing global competitive economic situations, it is a better idea to investigate and compare individual regions instead of aggregated macro data from the greater national economic realm. The topic of socioeconomic analysis is in reality local-regional units that need to be seen and promoted as economic entities. The microeconomics of prosperity discussed by Porter (2000) is a well-established research area. And when policymakers examine clusters and provide them with financial assistance to achieve regional growth, they are borrowing from a perspective suggested by Porter (Stern et al., 2000).

A large portion of today’s existing literature on innovation (Kaiserfeld, 2005), which follows the tradition of Schumpeter in a wider sense and can thus be included in entrepreneurship research, now employs ideas inspired by social science as it determines socioeconomic contexts and regional arenas of interaction that generate innovation. This literature specifically discusses networks and the role of social capital (Schildt et al., 2005) as they relate to the connection with the dynamic of regional economic development. Social capital is specifically referred to as an extra-market externality (Westlund, 2006), and a clear connection is seen between networking and entrepreneurial growth (Johannisson, 2000).

Recent years have seen the dominance of political economics-motivated research that understands clusters as realms of innovation via cooperation (Karlsson, 2007). This reveals how much importance social science aspects have been able to gain in entrepreneurship research. And if questions are included in the analysis regarding whether practical business activities are more or less characterised by ‘face-to-face’ relationships, and which forms of knowledge are conveyed, a matrix results of each specific combination of information processing, product generation, market identification, and spatial locality (Asheim and Coenen, 2005; Asheim et al., 2006), which ultimately have their focus on questions regarding immaterial rather than material production and organisation (Schon, 1963). The latter is without question the case for the secularly growing role of the production factor of knowledge, which, for the past few decades, has been a focus of sociology in particular (Bell, 1973; Castells, 2004, 2005). The economic historical work by Warsh (2006) shows the growing extent of the impact knowledge continues to have on economic development. Audretsch (2007) makes clear
that knowledge has clearly evolved into a key factor in the discussion on economic progress.

The overall direction today can be characterised as sociological, cultural studies-focused, or as having a heterodox economics orientation. These descriptions and estimations have been in a kind of flux for decades. Cochran (1960) was somewhat hesitant in writing about the cultural factors in economic growth, while Buchanan and Ellis (1955, p.405) were clearly more to the point when they explained how “the really fundamental problems of economic growth are non-economic”. The consequences of this kind of formulation are significant for our customary understanding of economic policy, because it requires more non-economic factors to be investigated, understood, and supported when it comes to achieving economic growth. Furthermore, sociological core competencies are in greater demand today and more focused upon helping to solve economic policy issues. These can include everything from how children are raised, to professional training, all the way to gender and ethnicity, as well the question of what constitutes the family institution itself. In this sense, the family can be correspondingly interpreted as a location factor (Eckrich and Loughead, 1996; Fairlie and Robb, 2007). In a literature report on the state of entrepreneurship research, Audretsch (2002) consequently discusses the main influence factors of entrepreneurship, including not just the ‘main’ issues of finances and taxes, but a series of socially relevant soft key factors as well, including culture, networks, and social capital. At a time when the field of sociology seems to find itself taking on a more defensive position academically, a consistent, argumentative confidence needs to be established reminding people that ‘sociology matters’. Interfaces between the sociological and economic perspectives in entrepreneurship research therefore include in particular:

1. cultural influence on economic action
2. network research
3. social capital.

4. The determinants of entrepreneurship processes

Company start-ups as a purely numeric entry of new company organisations into the population of young enterprises in principle basically exist only ‘in and of themselves’. There is relatively little that is predicated in terms of the concrete specifics of these company start-ups. After all, there is a big difference in whether we are talking about start-ups in a large metropolis or in more rural areas, or whether these foundations were done in the present day or in the middle or at the start of the 20th century. Another differentia specifica is the agent and his/her attributes of age, gender, family status/composition, ethnicity, etc. that can greatly vary. In many cases, these differences found among entrepreneurs have a clear influence upon which products or services can be offered to which customers, and with what results.

An integrative perspective of entrepreneurship therefore has to first ask in which context entrepreneurial opportunities emerge. This first involves technological changes that lead to new technical applications and, as a result, new potential products. Another control parameter for the generation of opportunities and/or innovations is changes in political regulation systems. Finally, there are also changes within society that open new
opportunities for entrepreneurial activities and products (Shane, 2003). The perception of economics appears more dynamic when the emergence of new entrepreneurial opportunities is conceptualised in this fashion. It is societal and economic change continually producing new playing fields ‘from within themselves’ that has the potential to achieve economic discovery and utilisation. So, although technological changes are important, they are not the sole reason for the direct emergence of new entrepreneurship forms. Different forms of structural social changes that produce new opportunities on both the supply and demand sides are another influence factor. Demographic changes such as people living longer reveal areas where new products and services will be needed, opening the way towards potentially major markets (Kautonen, 2008). New social lifestyles are a major factor in the development of changing consumer preferences, producing new demand and the markets to go along with them. And changes to job and work structures themselves are a factor seen today that both forms new markets and permanently modifies company niches (Bögenhold, 2004).

Along with the emergence of new opportunity structures, there is also the question of ‘how’ the company start-up process runs. The actions that drive the founding process are the result of – conscious or unconscious – planning and decision processes (Gustafsson, 2006). Principle questions of the perspectives that analyse the start-up process aim at how rational planning is carried out. It is not just the strategies on dealing with complexity and reducing uncertainty that vary here, but the results of risk-laden activity as well. Chain reactions of decision results often develop that all have their own inherent individual dynamics.

The different action and decision processes occur in social contexts where the investigation of networks (above) plays an important role for the transitional process towards a professional independence. This includes connections to family and relatives, which can either support or hinder potential self-employed entrepreneurs in their decision. Here, networks are not only a resource that the individual agents can access. Their structure can also represent a kind of (more or less) positive entrepreneurial or social climate that aims to generate the right mix of life quality, social diversity, creativity, and knowledge intensity (Asheim et al., 2006). It also needs to be remembered here that companies can emerge out of relatively disadvantageous situations (Apitzsch and Kontos, 2007). So, the correlations between societal change and economic opportunities are another interface we find between sociological and economic perspectives.

Shane and Venkataraman (2000) state that it is also necessary to inquire about the motives of agents, which Douglass C. North (1990, p.17) fundamentally encouraged economics to do at all times when he states “The motivation of actors is more complicated, and their preferences less stable than assumed in received theory. More controversial, and less understood among the behavioural assumptions, usually, is the implicit one that the actors possess cognitive systems that provide true models about which they make choices […]”. What kind of motives and motive constellations inspire people to do that which they do? Although society has a wide repertoire of roles available in its professional system, this does not explain what motivates people to strive for certain roles, or why they factor in all kinds of sacrifices in order to achieve certain positions. Economic psychology differentiates between psychogenetic characteristics, motivating factors, learning behaviour, acquired values, and qualifications that people are able to display within different compositions (Schendel, 1990).
Cultural specifics previously had their place in culturalistic-institutional publications as they determined the degrees of economic conduct and motivation. The driving forces of action were here distinctly interpretable from both an intertemporal and an intercultural perspective. This viewpoint was characterised by looking at society. In contrast, what is of particular interest is an internal view of society. What motivates individuals to do what they do? Career research asks which resources and strategy components are available to individuals in order to maximise their life opportunities (Bögenhold, 2003).

Pierre Bourdieu (1986) differentiated three bases of resources with which the individual can be active on the market: financial capital, social capital, and cultural capital. Although the importance of Bourdieu’s differentiation of capital is beyond question, it is nevertheless incomplete because it sees the actions behind ideas as having to be ‘inspired’. Motives also need to be included in this equation as generators to operationalise professional changes. From an empirical perspective, the individual finds himself placed in a position among the system of trade where, in order to have a successful career, he has to apply the different kinds of capital as defined by Bourdieu. There must also be defined major and minor goals that motivate and accompany the career plan. In spite of this, economics studies over the years have typically placed professional and economic action on a footing that is merely equal with rational action.

Economic action has been and continues to be understood as the application of the rational to material decisions. The explicit (or at least the implicit) basic assumption was that people who do not act rationally are simply not a part of economic science. For economically-acting people, it is simply ‘normal’ to act rationally, which is exactly what they would do, as a rule. National economists do not need to bother with the exceptions to this (Lagueux, 2010). But the definition of rational behaviour in business life can admittedly digress into an ethnocentric perspective that only considers the conduct of the own cultural group. Only a fraction of ‘abnormal’ or ‘irrational’ business activity by members of a certain society can be defined as such in a clinical sense, as Schumpeter (1963) explains in much greater detail.

Schumpeter (1963) assumed this kind of investigative perspective as well. Using the example of the role of the entrepreneur, he specifically asked about the conduct of adequately interpreting motivation of economic individuals. Schumpeter’s entrepreneur is a dynamic one, i.e., he is an individual pursuing a career, who is eternally in social motion. Schumpeter (1963) classifies entrepreneurial behaviour as “irrational, or of a different kind of rationalism”. Whether motives, habits that have formed, or even somewhat pathological moments, Schumpeter (1963) sees how the typical entrepreneur does not ask himself whether every effort he makes will also promise a sufficient ‘pleasure overload’, being less interested in the hedonistic fruits of his efforts, and creating without ceasing because he is not able to do otherwise.

Subjects and environments create a very interesting mixture of the most varying dynamics and complexity from which social motive constellations and action structures emerge. They lay a kind of groundwork for professional mobility towards entrepreneurship and a career as an entrepreneur. Success in company start-ups is often found in those realms dealing with direct customer acquisition, which is directly dependent on the motivation of the entrepreneur.

This, furthermore, includes a wide field of ‘being able to market yourself’ ability, which requires codified reciprocal social rule systems, described by Bourdieu using the term Habitus (Schildt et al., 2005). When it comes to entrepreneurial success,
communication and performance talent are often at least as important as the product or service that is being brought to the market. Being able to manage and deepen business relationships and initiate new contacts is an extra-functional qualification (Dahrendorf, 1956) of entrepreneurial action that can be compensated by other qualifications only with great difficulty. The success of entrepreneurs is often also dependent upon mastering the social grammar of specific cultures of communication. The interdependencies of existing resources and the motives of economic agents as determinants of their action is therefore another interface between sociological and economic perspectives in entrepreneurship research.

5 Research cooperation between sociologists and economists

When looking at the importance of the social environment as it pertains to entrepreneurship (from both a narrow perspective of company start-ups as well as a broader perspective of entrepreneurship), it is all the more surprising that the social science and, most importantly, the sociological aspects have for the most part been kept out of the economic entrepreneurship research picture. In German-language social economics in particular, there is a tradition to discuss economic aspects and processes as they relate to their foundations of social activities and communications. Albert (1960) even spoke early on of a national economy as sociology.

With markets increasingly being recognised as highly social processes, sociology in its form of institutionalised sociology can make its comparative strengths clear when it comes to entrepreneurship research: “Sociologists primarily view markets as institutions, while economists focus on the issue of price formation, mainly by constructing models. But even mainstream economics has not paid much attention to markets as institutions or as empirical phenomena” [Swedberg, 2003, p.130]. It often appears that the general emphasis with company start-ups is placed too heavily on the events themselves, which does not allow for a ‘cultural and historical perceptive filter’ that would be able to differentiate secular trends from short-term cycles. Instead, developments should be observed and analysed within their corresponding conditional contexts to better see how the causes and effects relate to one another. A complete understanding of the entrepreneurship phenomenon means investigating how economic activity is embedded within social activity.

For those wanting to avoid dry economic observation and analysis, social research that conceptualises economic individuals as agents within a real world will be necessary, and even essential. Here, the importance of sociological entrepreneurship research aspects even appears to emerge ‘all by itself’. Only when the object of investigation is understood as a social and dynamic system containing a wide array of interrelations and varying balanced configurations can it be fully, adequately, and properly conceptualised and analysed in terms of success or failure. This kind of conception facilitates intellectual innovations in that it allows that, which had previously not even been thought about, to be taken into consideration. Integrative entrepreneurship research is the right answer to the limitations of monodisciplinary approaches that, by definition, are simply too narrow minded. ‘Understanding entrepreneurship’ (Bjerke, 2007) discusses a wide panorama of investigative perspectives whose interrelations require an additional, more thorough investigation.
The concept of an integrative-dynamic economic and sociological correlation can also help obtain a clearer, more precise picture of the boundaries and potential for interventions that exist, and their related opportunities and risks. Not taking this combined economic/social approach only allows an ‘incision’ into an organism without any real understanding of its actual inner life and functions. When determining what economic policy would be sufficiently compatible with these kinds of parameters, it can be said that, although the call for (more) new companies might be a popular idea, this kind of initiative needs to be more properly embedded within an overall socio-economic and political context so that ‘political investments’ can be better and more deeply comprehended.

The complex, interactive thinking found with these dimensions as discussed by the configuration approach of entrepreneurship (Miller, 1996), or as Shane (2003) attempts to develop in his General Theory of Entrepreneurship, is in principle on the right analytical track in terms of how it is working to overcome monocausal approaches or purely economic functionalisations that reduce companies to mere implementers of business functions. Such approaches are genuinely interdisciplinary in their research design, and because of this, simultaneously integrate technical features and issues coming from a number of different fields. They offer an intellectual framework to achieve a solid foundation for cooperative research efforts between sociologists and economists. The interfaces between sociological and economic perspectives identified in this paper that deal with the phenomenon of entrepreneurship can be seen as a possible first agenda for interdisciplinary research teams (Table 1).

To validate the literature results that were achieved as part of this paper, we conducted our own empirical investigation of the identified interfaces to test them for their applicability to entrepreneurship research. To do this, entrepreneurship researchers from the German-language realm were surveyed about how important they consider the joint observation of sociological and economic aspects to be regarding the interfaces shown in Table 1. The survey sample of this electronic expert survey (for more, see, e.g., Yiu and Lau, 2008) was comprised of FGF members (above); members of the Technology and Innovation Management (TIM) Commission of the German Academic Association for Business Research (VHB); the Association of German University Professors; and postdoctoral candidates (because the VHB does not have its own entrepreneurship/start-up/SME management commission, most entrepreneurship researchers are organised under the umbrella of the TIM Commission. In line with Schumpeter (1999), innovation is always the basis for entrepreneurship; the two cannot be separated from one another). These are (by far) the two largest organisations in the German-language realm where entrepreneurship research can come together. Consequently, a solid contextual and regional coverage of the topic can therefore be assumed. As of 2008, the FGF listed 182 members, while the TIM Commission had 176 researchers. The sample size achieved a total of $n = 323$ after removing those from the list that had a membership in both organisations. From this, a total of 105 people were able to be anonymously interviewed via an online survey. Each survey form was personalised to prevent the same person from filling out multiple forms. The total return rate was 32.5%.
<table>
<thead>
<tr>
<th>Discussion</th>
<th>Interface identified</th>
<th>Main sociological issue</th>
<th>Main economic issue</th>
<th>% who think this interface is (very) important</th>
</tr>
</thead>
<tbody>
<tr>
<td>The entrepreneur as an agent within society</td>
<td>The interplay between the entrepreneurial role and how it is reflected in economic reality in the form of company start-ups and developments</td>
<td>The entrepreneur as a professional; the social processes of practicing entrepreneurship; decisions are made about company start-ups, company succession, and innovativeness</td>
<td>The entrepreneur as an agent of planning, decision, and innovation</td>
<td>75.7%</td>
</tr>
<tr>
<td>The context of the entrepreneurship research object</td>
<td>The economic actor as a social being and, as a result, conducting business as social activity</td>
<td>The agent is involved in social networks and processes</td>
<td>The entrepreneur as a part of family enterprises</td>
<td>78.6%</td>
</tr>
<tr>
<td></td>
<td>Where transactions occur (markets) as social constructions</td>
<td>Social and geographic determinants of markets and exchange</td>
<td>Franchising, business plans, opportunity recognition</td>
<td>59.3%</td>
</tr>
<tr>
<td></td>
<td>Cultural influences on economic activity</td>
<td>The influence of the socialisation of economic activity, motivation of economic activity</td>
<td>Founding climate</td>
<td>77.6%</td>
</tr>
<tr>
<td></td>
<td>Cooperation and network research</td>
<td>The agent is involved in social networks and processes, network theory</td>
<td>Founding teams</td>
<td>81.6%</td>
</tr>
<tr>
<td>Social capital</td>
<td></td>
<td>Ethnicity, gender, family, networks</td>
<td>Ethnicity, gender, family, networks, human/social capital</td>
<td>65.1%</td>
</tr>
<tr>
<td>The determinants of entrepreneurship processes</td>
<td>Correlations between societal change and economic opportunities</td>
<td>Success measures, opportunity recognition, the pre-start-up process, risk, and uncertainty are all discussed</td>
<td>Transformation models, internationalisation, risk, and uncertainty</td>
<td>79.6%</td>
</tr>
<tr>
<td></td>
<td>The interdependencies of existing resources and the motives of economic agents as determinants of their action</td>
<td>Company start-up consulting, social entrepreneurship, entrepreneurship universities</td>
<td>Social entrepreneurship, location factors, start-up statistics, industry focus, pattern- and developmental processes</td>
<td>68.9%</td>
</tr>
</tbody>
</table>

Note: n = 103 entrepreneurship researchers from the German speaking world
Survey participants had a week to complete the survey. Of the 105 people to do this, two were consultants and/or entrepreneurs, i.e., not scientists, and were therefore excluded. Thus, 103 surveys were used to perform the final analysis. Of these, 35% were research fellows or doctoral candidates; 31.1% were university professors (one of whom was a junior professor); 21.4% were postdocs; and 12.6% were professors at polytechnic institutions. 74.8% conducted their research in Germany; 10.7% in Austria; 7.8% in Switzerland or Liechtenstein; and 6.8% in other countries.

The results show that the interfaces between sociological and economic perspectives that were identified via the discussion on entrepreneurship research are predominantly classified by those working in this research field as very important (the fifth column in Table 1). Here, an interdisciplinary observation in the area of cooperation and network research with 81.6% was classified as important or very important from a particularly large segment of the survey participants, while the research field of Where transactions occur (markets) as social constructions was clearly lower with 59.3%. A topic that, according to Grichnik and Harms (2007), will be particularly important for entrepreneurship research in the future can serve as a point of reference: Only 34.9% of those surveyed consider an interdisciplinary observation of start-up funding to be important. For the creation of an interdisciplinary entrepreneurship research agenda, these results could provide some orientation to help determine what issues should receive the greatest priority.

A group comparison shows that, compared to the economists, the sociologists had a higher average value of aggregated agreement with all of the interfaces. This difference is highly significant (T = –3.659; p = 0.00). The country where the survey participants do their research; their position on the academic ladder (doctoral candidate, postdoc, professor); and whether they had a degree/degrees specifically in the field of entrepreneurship all had no significant effect on the results.

Previous experience the survey participants already had with interdisciplinary research was something that had a strong influence on how they viewed a cooperative sociological and economic perspective of the interfaces. The amount of interdisciplinary research to the own research activity (r = 0.401, p = 0.001), as well as the desire to expand this even further (r = 0.313, p = 0.001) corresponded positively significant to the importance attributed to an interdisciplinary view of the identified interfaces. This can be seen as an indication that interdisciplinary research is assessed far more positively by those who have already done this kind of work as opposed to research focusing only on one single discipline.

6 Conclusions and implications

The list presented and the survey results make two things clear: There is a range of topics that are addressed by both sociology and economics. Although there is some variation in how they are addressed when it comes to the questions posed, the primary findings aimed for, and the research approaches applied, at times these differences hardly play any role at all. The discussion we selected possessed a certain thematic focus as it aimed to identify the interfaces we determined. However, when considering the other thematic focal points that could also be included, this kind of list can be greatly expanded upon. Our list can also help to pave the way for an integration of sociological and economic perspectives of entrepreneurship research in the sense that it explicitly shows an array of common
research fields. The need for this kind of interdisciplinary research was made clear by the entrepreneurship researchers themselves, as shown by the results. An evaluation of the importance of the different issues by the community of entrepreneurship researchers helps to set priorities within this kind of interdisciplinary research agenda. Recent years have in fact seen more discussion and writing on company start-ups, during the course of which a number of additional aspects have been continually developed. The increasing call for an interdisciplinary start-up research admittedly (and glaringly) lacks integration into a well-founded, comprehensive theoretical concept. The frequent juxtaposition of different perspectives and explanatory approaches needs to be overcome and established via mutual integration, which was the conceptual aim of this paper. Something that is particularly clear from Table 1 is, along with the academic-technical segmentation, the enormous breadth of specific entrepreneurship topics and applications. Far too often we see a thematic specialisation that over-dissects individual sub-topics while the more general, global framework of entrepreneurship is left untouched. Significant differences attributed by entrepreneurship researchers who work within a variety of disciplinary backgrounds to the importance of integrative research within the interfaces identified support this finding.

An interdisciplinary entrepreneurship research must first be committed to not automatically permitting any and all specialised entrepreneurship disciplines to emerge from the long list of issues coming from the field. Second, it must allow a mutual integration of perspectives to emerge from the parallels between the similar topics that are addressed. With these issues and topics being so central today, interdisciplinary entrepreneurship should aim to fill this realm between economy and society with vibrant research life (Heinonen and Hytti, 2010). Here, the interrelations that include both the nexus between the company as well as the role of the entrepreneur are of key importance. Conventional entrepreneurship research is oriented towards the classical canon of organised academic fields, and always favours only one of the issues for its research. On the other hand, interdisciplinary entrepreneurship research thrives on the basic notion that the individual dimensions need each other, and can only be separated from one another at the expense of perspective and insight. Our paper has made clear which entrepreneurship research fields are particularly attractive for an integrative observation when looked at through the lens of sociology and economics studies. It represents the first steps towards what we hope will be a cooperative, integrated, vibrant research agenda.

Entrepreneurship serves as an umbrella for a variety of different items and various debates in science and in politics, which associate differing issues and aspects with the term. The literature is full of definitions of entrepreneurship, which differ along a number of dimensions and which are sometimes contradictory (Davidsson, 2003). Even in the history of economic thought, different positions can be determined, regarding how entrepreneurship is defined (McMullen, 2011). The changing historical, regional, and social contexts in which entrepreneurship takes place are diverse, increasing the difficulties associated with a unifying definition (Welter, 2011).

Also, and especially, markets are places where social life and exchange occurs with their own inherent social structures and grammar. Ignoring these simple facts implies an inadequate academic perception of the inside of one of the most central institutions of economics in existence. Already Max Weber (1972) conceptualised the terms economy and society as a package which always includes both elements as two different sides of the same medal. Following these premises, diverse areas of economic life can be investigated more adequately than ‘narrow’ perspectives in business administration or
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economics could facilitate. Markets serve as an example par excellence since markets are usually interwoven with communication processes, structures of social networks and related emotional forms of trust and dislike. Social networks serve as a hinge between micro and macro dimensions and they map ‘sets’ of preferences and social capital of individual agents, groups and institutions. Acknowledging the interfaces between sociological and economic perspectives in entrepreneurship and in business processes in general will help to contribute to a more comprehensive design of investigation, theoretically and empirically, which, in turn, also contributes to a better understanding of evolutionary processes and related ‘inside dynamics’ grounded in principles of economy and society.

References


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